

Senate Bill 481

By: Senator Hudgens of the 47th

AS PASSED SENATE

A BILL TO BE ENTITLED

AN ACT

To amend Title 33 of the Official Code of Georgia Annotated, relating to insurance, so as to revise the provision in accident and sickness policies for termination of coverage of surviving spouse or as a result of a break in marital relationship; to provide for availability of accident and sickness policy upon termination of dependent coverage under certain circumstances; to revise certain definitions related thereto; to provide for related matters; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

Title 33 of the Official Code of Georgia Annotated, relating to insurance, is amended by revising subsection (b) of Code Section 33-24-20, relating to the provision in accident and sickness policies for termination of coverage of surviving spouse or as a result of a break in marital relationship, as follows:

"(b) Every policy which contains a provision for termination of coverage of the spouse upon death of the insured or divorce shall contain a provision to the effect that, upon the death of the insured or the entry of a valid decree of divorce between the insured parties, the surviving or divorced spouse shall be entitled to have issued to him or her, without evidence of insurability, upon application made to the company within ~~31~~ 90 days following the entry of such decree and upon the payment of the appropriate premium, an individual or family policy of accident and sickness insurance then being issued by the insurer which provides coverage most nearly similar to the coverage contained in the policy which was terminated by reason of death or divorce or any other similar individual or family policy then being issued by the insurer which contains lesser coverage. Any and all probationary or waiting periods set forth in such an individual or family policy shall be considered as being met to the extent coverage was in force under the prior policy."

SECTION 2.

Said title is further amended by revising subsection (b) of Code Section 33-24-21, relating to the provision in accident and sickness policies for termination of group coverage of surviving spouse or as a result of break in marital relationship, as follows:

"(b) Every policy which contains a provision for termination of coverage of the spouse upon death of the insured or divorce shall contain a provision to the effect that, upon the death of the insured or the entry of a valid decree of divorce between the insured parties, the surviving or divorced spouse shall be entitled to have issued to him or her, without evidence of insurability, upon application made to the company within ~~31~~ 90 days following the entry of such decree and upon the payment of the appropriate premium, an individual or family policy of accident and sickness insurance then being issued by the insurer which provides coverage most nearly similar to the coverage contained in the policy which was terminated by reason of death or divorce or any other similar individual or family policy then being issued by the insurer which contains lesser coverage. Any and all probationary or waiting periods set forth in an individual or family policy shall be considered as being met to the extent coverage was in force under the prior policy."

SECTION 3.

Said title is further amended by revising Code Section 33-29-21.1, relating to the availability of accident and sickness policy upon termination of dependent coverage based on age of the dependent, as follows:

"33-29-21.1.

Every policy which contains a provision for termination of coverage of a dependent upon the reaching of a certain age shall contain a provision to the effect that, upon the date of the dependent reaching the age at which coverage would terminate under the provisions of the policy, the dependent shall be entitled to have issued to him or her, without evidence of insurability, upon application made to the company within ~~45~~ 90 days following the date the dependent reaches the age at which coverage would terminate and upon the payment of the appropriate premium, an individual or family policy of accident and sickness insurance then being issued by the insurer which provides coverage most nearly similar to the coverage contained in the policy which was terminated by reason of dependent reaching a certain age or any similar individual or family policy then being issued by the insurer which contains lesser coverage. Any and all probationary or waiting periods set forth in such an individual or family policy shall be considered as being met to the extent coverage was in force under the prior policy."

SECTION 4.

Said title is further amended by revising paragraph (1) of subsection (a) of Code Section 33-29A-2, relating to definitions pertaining to availability and assignment system of individual health insurance coverage, as follows:

"(1) 'Creditable coverage' and 'eligible individual' have the same meaning as specified in Sections 2701 and 2741 of the federal Public Health Service Act, 42 U.S.C.A. Sections 300gg and 300gg-41 except that: a

(A) A period of creditable coverage shall not be counted, with respect to enrollment of an individual under a group health plan, if, after such period and before the enrollment date, there was a 90 day period during all of which the individual was not covered under any creditable coverage; and

(B) A person shall not be an eligible individual under this chapter if such person is eligible for or has declined any continuation or conversion coverage or has terminated any such coverage prior to its exhaustion."

SECTION 5.

Said title is further amended by revising paragraph (3.1) of Code Section 33-43-1, relating to definitions pertaining to medicare supplement insurance, as follows:

"(3.1) 'Continuous period of creditable coverage' means the period during which an individual was covered by creditable coverage if during the period of the coverage the individual had no breaks in coverage greater than ~~63~~ 90 days."

SECTION 6.

All laws and parts of laws in conflict with this Act are repealed.